

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004

	August-04				July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	FYTD	FY04	Ended	Ended
				Net ROR					Net	Net	6/30/2004	6/30/2004
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	55,513	2.5%	2.7%	-0.39%	55,756	2.5%	2.7%	-5.03%	-5.40%	N/A	N/A	N/A
Total Structured Growth	55,513	2.5%	2.7%	-0.39%	55,756	2.5%	2.7%	-5.03%	-5.40%	17.58%	-6.28%	-7.85%
<i>Russell 1000 Growth</i>				-0.49%				-5.65%	-6.12%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>												
LSV	59,547	2.7%	2.7%	1.42%	58,698	2.7%	2.7%	-1.21%	0.20%	30.56%	9.33%	8.36%
<i>Russell 1000 Value</i>				1.42%				-1.41%	-0.01%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	117,812	5.3%	5.4%	0.22%	117,610	5.4%	5.4%	-3.56%	-3.35%	N/A	N/A	N/A
<i>Russell 1000</i>				0.49%				-3.51%	-3.04%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	115,177	5.2%	5.4%	0.44%	114,742	5.2%	5.4%	-3.30%	-2.88%	N/A	N/A	N/A
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
<i>Index</i>												
State Street	34,682			0.41%	34,547			-3.32%	-2.93%	19.01%	-0.75%	-2.28%
Total Index	34,682	1.6%	1.8%	0.41%	34,547	1.6%	1.8%	-3.32%	-2.93%	19.01%	-0.75%	-2.28%
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	382,731	17.3%	18.0%	0.40%	381,353	17.4%	18.0%	-3.33%	-2.94%	21.46%	0.15%	-1.39%
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	119,135	5.4%	6.0%	-1.22%	120,696	5.5%	6.0%	-7.28%	-8.41%	32.99%	5.51%	N/A
<i>Russell 2000 + 200bp</i>				-0.35%				-6.57%	-6.89%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	119,135	5.4%	6.0%	-1.22%	120,696	5.5%	6.0%	-7.28%	-8.41%	32.99%	5.54%	7.29%
<i>Russell 2000</i>				-0.51%				-6.73%	-7.21%	33.36%	6.24%	6.63%
CONVERTIBLES												
TCW	226,458	10.2%	11.0%	-0.55%	227,920	10.4%	11.0%	-5.05%	-5.57%	17.50%	1.03%	3.90%
<i>First Boston Convertible Index</i>				-0.30%				-2.49%	-2.78%	14.16%	4.89%	5.75%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	483,848	21.9%	20.0%	2.06%	474,406	21.7%	20.0%	1.24%	3.33%	2.42%	7.77%	8.10%
<i>Lehman Aggregate</i>				1.91%				0.99%	2.92%	0.32%	6.35%	6.95%
<i>Index</i>												
Bank of ND	622,276	28.1%	30.0%	1.66%	612,382	28.0%	30.0%	0.77%	2.43%	0.07%	7.10%	7.25%
<i>Lehman Intermediate Gov/Credit (1)</i>				1.67%				0.84%	2.53%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>												
Strong	270,021	12.2%	10.0%	2.39%	263,633	12.0%	10.0%	1.37%	3.79%	1.18%	N/A	N/A
<i>Lehman US Credit BAA</i>				2.55%				1.40%	3.99%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	1,376,145	62.2%	60.0%	0.00%	1,350,420	61.7%	60.0%	1.05%	3.01%	0.79%	7.00%	7.45%
<i>Lehman Gov/Credit</i>				2.12%				1.06%	3.19%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS												
Bank of ND	108,731	4.9%	5.0%	0.14%	108,730	5.0%	5.0%	0.13%	0.27%	1.20%	1.72%	3.39%
<i>90 Day T-Bill</i>				0.12%				0.12%	0.24%	0.98%	1.71%	3.30%
TOTAL RISK MANAGEMENT FUND	2,213,199	100.0%	100.0%	-0.05%	2,189,119	100.0%	100.0%	-1.00%	-1.05%	8.09%	4.62%	3.34%
POLICY TARGET BENCHMARK				1.29%				-0.63%	0.64%	6.46%	5.10%	3.86%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.